

**ASSEMBLY BILL**

**No. 2158**

**Introduced by Assembly Member Strickland**

February 23, 2000

---

---

An act to amend Section 218 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2158, as introduced, Strickland. Property taxation: homeowners' exemption: amount.

Existing property tax law provides, pursuant to a specified provision of the California Constitution, for a homeowners' exemption in the amount of \$7,000 of the full value of a "dwelling," as defined. The California Constitution authorizes the Legislature to increase the amount of the exemption.

This bill would, pursuant to the Legislature's authority under the California Constitution, increase the amount of this exemption by 25% in the case of a claimant for the exemption who is 62 years of age or older.

The California Constitution requires the Legislature, in each fiscal year, to reimburse local governments for the revenue losses incurred by those governments in that fiscal year as a result of the homeowners' property tax exemption.

This bill would state the intent of the Legislature to make this required reimbursement in the annual Budget Act.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Section 218 of the Revenue and Taxation Code is amended to read:

218. The homeowners' property tax exemption is in the amount of the assessed value of the dwelling specified in this section, as authorized by subdivision (k) of Section 3 of Article XIII of the Constitution. That exemption shall be in the amount of seven thousand dollars (\$7,000) of the full value of the dwelling, *except that this exemption amount is increased by 25 percent in the case of a claimant who is 62 years of age or older.*

The exemption does not extend to property—~~which that~~ is rented, vacant, under construction on the lien date, or ~~which that~~ is a vacation or secondary home of the owner or owners, nor does it apply to property on which an owner receives the veteran's exemption. "Owner" includes a person purchasing the dwelling under a contract of sale or who holds shares or membership in a cooperative housing corporation,—~~which the holding of which~~ is a requisite to the exclusive right of occupancy of a dwelling. As used in this section, "dwelling"—~~shall include~~ *includes*:

(a) A single-family dwelling occupied by an owner thereof as his or her principal place of residence on the lien date.

(b) A multiple-dwelling unit occupied by an owner thereof on the lien date as his or her principal place of residence.

(c) A condominium occupied by an owner thereof as his or her principal place of residence on the lien date.

(d) Premises occupied by the owner of shares or a membership interest in a cooperative housing corporation, as defined in subdivision (h) of Section 61, as his or her principal place of residence on the lien date. Each exemption allowed pursuant to this subdivision shall be deducted from the total assessed valuation of the cooperative housing corporation. The exemption shall be taken into account in apportioning property taxes among owners of share or membership interests in the

1 cooperative housing corporations so as to benefit those  
2 owners who qualify for the exemption.

3 “Dwelling” means a building, structure or other shelter  
4 constituting a place of abode, whether real property or  
5 personal property, and any land on which it may be  
6 situated. For purposes of this section a two-dwelling unit  
7 shall be considered as two separate single-family  
8 dwellings.

9 Any dwelling that qualified for an exemption under this  
10 section prior to October 20, 1991, that was damaged or  
11 destroyed by fire in a disaster, as declared by the  
12 Governor, occurring on or after October 20, 1991, and  
13 before November 1, 1991, and that has not changed  
14 ownership since October 20, 1991, ~~shall not be~~ *is not*  
15 disqualified as a “dwelling” or be denied an exemption  
16 under this section solely on the basis that the dwelling was  
17 temporarily damaged or destroyed or was being  
18 reconstructed by the owner.

19 The exemption provided for in subdivision (k) of  
20 Section 3 of Article XIII of the Constitution shall first be  
21 applied to the building, structure or other shelter and the  
22 excess, if any, shall be applied to any land on which it may  
23 be located.

24 SEC. 2. It is the intent of the Legislature to provide in  
25 the annual Budget Act those additional reimbursements  
26 to local governments that, as a result of this act, are  
27 required by Section 25 of Article XIII of the California  
28 Constitution.

29 SEC. 3. This act provides for a tax levy within the  
30 meaning of Article IV of the Constitution and shall go into  
31 immediate effect.

